

SENATE BILL NO. 493

August 12, 2025, Introduced by Senators POLEHANKI and CAMILLERI and referred to Committee on Education.

A bill to amend 1979 PA 94, entitled
"The state school aid act of 1979,"
(MCL 388.1601 to 388.1896) by adding section 31c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 31c. (1) From the state school aid fund money
- 2 appropriated in section 11, there is allocated for 2025-2026 only
- 3 an amount not to exceed \$65,000,000.00 for grants to eligible
- 4 districts for pilot programs to maintain or establish small classes
- 5 in grades K to 3 in eligible school buildings in the district.
- 6 (2) To be eligible for a grant under subsection (1), a

1 district must have at least 1 eligible school building and must
2 apply to the department in the form and manner prescribed by the
3 department. A district shall include in its application a projected
4 budget for maintaining or establishing small classes in grades K to
5 3 and shall demonstrate in the projected budget that at least 30%
6 of the funds received by the district under section 31a will be
7 used to support small classes under this section.

8 (3) For a school building to be considered an eligible school
9 building under subsection (2), the school building must meet all of
10 the following requirements:

11 (a) Operate at least 1 of grades K to 3.

12 (b) Be operated by a district that operates all of grades K to
13 12 and that receives funds under section 31a.

14 (c) Be located in a district that is in an opportunity index
15 band, as described in section 31a, of 4 or higher.

16 (4) Not more than 25% of the total allocation under this
17 section may be paid to any single district. The department shall
18 make allocations under this section to districts that are
19 geographically diverse, including urban, suburban, and rural
20 districts. Grants issued under this section must be awarded to at
21 least the following districts:

22 (a) Muskegon Heights Public School Academy System.

23 (b) Benton Harbor Area Schools.

24 (c) Flint School District.

25 (d) Wayne-Westland Community School District.

26 (5) A district that receives funds under this section shall
27 use the funds to maintain or establish small classes in grades K to
28 3 in school buildings of the district for which funds are received
29 under this section. The average class size must be not more than 17

1 pupils per class, with not more than 19 pupils in any particular
2 class. A district that receives funds under this section shall use
3 at least 30% of the funds the district receives for 2025-2026 under
4 section 31a for the purposes of this section.

5 (6) Funding to districts under this section for 2025-2026 is
6 intended to be for the first of 2 years of funding.

7 (7) The funds allocated in this section are a work project
8 appropriation, and any unexpended funds for 2025-2026 are carried
9 forward into 2026-2027. The purpose of the work project is to lower
10 class sizes in grades K to 3. The estimated completion date of the
11 work project is September 30, 2030.

12 (8) Notwithstanding section 17b, the department shall make
13 payments under this section on a schedule determined by the
14 department.

15 Enacting section 1. This amendatory act does not take effect
16 unless Senate Bill No. ____ (request no. S02998'25) of the 103rd
17 Legislature is enacted into law.